

PROCEDURE 0110.04
Issued January 1, 1994

SUBJECT: Allocation of project funding.

APPLICATION: Executive Branch Departments and Sub-units, Community Colleges, and State Universities.

PURPOSE: To establish a consistent method for getting funding for renovation and maintenance of existing facilities and for construction of new facilities.

CONTACT AGENCY: Department of Management and Budget (DMB), Office of Facilities, Administrative Division
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SUMMARY: A process to release funds that may be appropriated in Capital Outlay Acts for special maintenance remodeling and additions for all state agencies, community colleges, and state universities, and fire protection for all state agencies.

Lump sum funds are allocated based upon the square footages, age, and needs of the agency, community college, or state university.

Failure to follow these procedures could result in an agency not receiving an allocation for a fiscal year.

APPLICABLE FORMS: OOB-145
A-11
DMB-400
DMB-418
DMB-446

PROCEDURES:

Definitions:

Line Item: Line item appropriations are projects which are specifically noted in a Capital Outlay Act and have a designated specific project cost. These funds are available until 23 months after substantial completion and have to be released by the State Administrative Board.

Lump Sum: Lump sum projects are approved as part of an overall appropriations such as special maintenance or fire protection. Allocations are made by the director of the DMB. Lump sum projects are available for only three years and the uncommitted balances lapse. These projects are approved by the director of the DMB and are for \$500,000 or less.

Miscellaneous

Operating Projects: Projects where funding is provided from the agency's or department's operating budget. An agency may elect to use operating funds when line item or lump sum monies are not available.

Instruction A: Line Item Appropriations

Agency, Community College, and State University:

- Submits a request for project funding to the Budget Offices, including a complete description of the proposed project, need for the project, and estimated cost.

Budget:

- Reviews request and prepares recommendation for Capital Outlay funding.

Facilities:

- Assigns account number to project. Sends Office of Financial Management, DMB, form A-11, for establishment of account.
- Upon appropriation and after planning approvals prepares an OOB-145 for release of funds.
- Prepares Finance and Claims agenda for release of funds to work orders and submits agenda, along with OOB-145, to Budget Offices.

Budget:

- Reviews agenda and OOB-145 and submits to Office of Contract Management.

Contract Management:

- Submits agenda to State Administrative Board (SAB) for approval.

SAB:

- Approves or rejects agenda.

Budget:

- Submits approved OOB-145 to Office of Financial Management and Office of Facilities, after approval by the State Administrative Board.

Financial Management:

- Processes Journal Voucher to release the funds.
- Copy of Journal Voucher sent to Facilities to notify that the funds have been released.

Instruction B: Lump Sum Appropriations

Agency, Community College, and State University:

- Compiles a list of desired improvements, including estimated costs, for funding for each fiscal year.
- Submits list to DMB, Budget Offices.

Budget:

- Receives and reviews list from state agencies, community colleges, and state universities.
- Prepares Executive Budget recommendations for funding by the Legislature.
- Forwards individual requests to the Office of Facilities for use in the allocation of appropriations after approval of the budget.

Facilities:

- Prepares proposed list of allocations upon the formula approved by the Joint Capital Outlay Subcommittee.
- Submits list of proposed allocation to the director of DMB for approval.

DMB Director:

- Reviews proposed allocations and rejects or approves.
- Returns to the Office of Facilities the listing of approved and rejected projects.

Facilities:

- Receives list from director.
- Notifies agencies by letter of the approved and/or rejected projects. A DMB-400, Work Order, is prepared at this time and sent along with each letter for each approved project. The work order is for the establishment of holding accounts for the allocated amounts.

Agency, Community College, and State University:

- Reviews approved and rejected projects.
- If desired, substitutions and deletions can be made at this time. Change requests are sent back to the Office of Facilities, along with the unsigned work order.
- If no changes, work orders are signed and sent back to the Office of Facilities.

Facilities:

- Reviews changes and obtains appropriate signatures on work orders.
- Forms A-11 and DMB-418 are prepared and submitted to the Office of Financial Management for the establishment of an account and the release of funds.

Financial Management:

- Processes Journal Voucher to establish account and release of funds.

Instruction C: Miscellaneous Operating Projects

Agency:

- When lump sum or line item monies are not available, an agency can authorize the Office of Facilities to use their operating funds by submitting form DMB-446 to Facilities. The DMB-446 gives a brief description of the work to be completed, total project cost, account number, object code, and cost center.

Facilities:

- Reviews DMB-446 to make sure that the description of work falls under the jurisdiction of the Office of Facilities. Determines if professional services will be provided by contract or in-house design.
- Appropriate signatures obtained and distributes approved copies to in-house personnel and agency.

Agency:

- Reserves funds for project in the account designated after receiving approved DMB-446 from the Office of Facilities.

Instruction D: Disposition of Year End Funds

- The departments/agencies are responsible for carrying forward all funds for contracts processed from October 1 through August 31 of each year. The Office of Facilities is responsible for carrying forward all funds for contracts processed in the month of September of each year.
- For line item and lump sum funds, see the applicable Capital Outlay bill and Office of Financial Management's Procedures.

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